



**Community
Services
Department**
Connecting People to Opportunities

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Angela Hacker, Division Chief, Division of Energy & Sustainability Initiatives



September 28, 2015

Mr. Dan Buckshi
County Administrative Officer
County of San Luis Obispo
1055 Monterey Street, Suite D-430
San Luis Obispo, CA 93408

Email: dbuckshi@co.slo.ca.us

Re: Scope of Activities for Community Choice Energy (CCE) Contribution

Dear Mr. Buckshi:

Your staff has informed us that the County of San Luis Obispo will be considering our invitation to contribute \$50,000 towards participation in a local Community Choice Energy (CCE) study on October 6, 2015. Per your staff's request, this letter provides additional details on the scope of activities that your County's contribution will support.

Background

As you know, on June 9, 2015 the Santa Barbara County Board of Supervisors approved \$400,000 in FY 2015-2016 towards the initial phase of evaluating the formation of a Community Choice Energy (CCE) program in Santa Barbara County. The technical feasibility study consultant for Santa Barbara County was estimated to cost \$225,000, which was anticipated to be offset by at least \$100,000 in contributions from other agencies. As detailed below, those local agencies that contribute at or above Santa Barbara County's minimum thresholds (e.g. \$50,000 for neighboring counties) may have representation on an advisory working group and will be included in the study area defined for the Feasibility Study.

Representation on Advisory Working Group

Local agencies that contribute will be asked to appoint representatives to collaborate with Santa Barbara County on an advisory working group. This advisory working group will be responsible for the following:

- Help develop the RFP for a Feasibility Study consultant
- Select a qualified consultant from the proposals submitted
- Define objectives for the study
- Develop a communications plan
- Review and comment on the feasibility study draft, and
- Receive ongoing updates regarding progress

Inclusion in Feasibility Study

While the exact scope and costs of the feasibility study will not be known until a contract for services is complete, CCE feasibility studies typically evaluate the following aspects of a CCE program:

- Definition of objectives and study areas
- Pro-forma analysis to assess the cost-benefit potential
- Risk analysis (pre and post implementation)

County Parks Division, Division of Energy & Sustainability Initiatives, Housing & Community Development Division:
123 East Anapamu Street, 2nd Floor, Santa Barbara, CA 93101 • T: (805) 568-2461 • F: (805) 568-2459
Arts Commission: 1100 Anacapa Street, 3rd Floor, Rotunda Tower, Santa Barbara, CA 93101
sbccsd.org

- Emission impacts
- Economic impacts included job creation
- Load data analysis and demand forecast
- Rate/price modeling and analysis
- Power supply scenarios for CCE
- Sensitivity analysis reflecting changes such a market prices for conventional and renewable energy, utility surcharges and fees, and energy policy changes

Should the additional incremental costs to include your County and its incorporated cities exceed the estimated \$50,000, your County will be asked to cover the additional costs.

Submitting Contributions

In preparation for soliciting proposals for the feasibility study, we are asking that all non-repayable contributions to Santa Barbara County be received by October 15, 2015 so that all sources of funds are known prior to Santa Barbara County authorizing a contract with a consultant to complete the feasibility study. As a reminder, to allow Santa Barbara County to include your County and cities in the study, we will be requesting your release of applicable electricity load data.

If your Board should require additional details in order to release the expenditure, please feel free to contact me or Energy and Sustainability Initiatives Division Chief Angie Hacker at ahacker@co.santa-barbara.ca.us.

Sincerely,



George Chapjian
Community Services Department Director

cc: Renee Bahl, Assistant County Executive Officer
Angie Hacker, Energy and Sustainability Initiatives Manager